GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3854
ANSWERED ON:17.08.2001
FIXED DEPOSITS UNDER FICTITIOUS NAMES
CHANDRA BHUSHAN SINGH

Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news item captioned `FDs under fictitious names used to invest black money` appearing in The Hindu, New Delhi on May 6, 2001.

(b) if so, the steps taken by the Government to check this practice; and

(c) the action taken by the Government against such banks which facilitated issuance of fixed deposits for large amount under fictitious names ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a): Yes Sir. Central Bureau of Investigation (CBI) has reported that a case has been registered by the CBI against some officials of Indian Overseas Bank, Port Blair branch and one private person who are alleged to have conspired amongst themselves and opened accounts in the names of fictitious persons for depositing illegally earned money to the tune of Rs.7 crores

(b) & (c) :The Reserve Bank of India has also issued instructions to banks to obtain photograph of persons authorised to operate account and also obtain confirmation of address of the account holders independently.